



**Government of the
District of Columbia**

Office of Tax and Revenue

Recorder of Deeds
1101 4th Street, SW
Washington, DC 20024
Phone: (202) 727-5374

Reduced Recordation Tax Rate for First-Time Homebuyers

General Instructions

For deeds recorded on or after October 1, 2017, the recordation tax rate for a “first-time District homebuyer” purchasing “eligible property” will be reduced. For improved residential real property, the recordation tax rate is 0.725% (transfer taxes owed by the seller of 1.1% or 1.45% are unchanged). For transfers of economic interests in a cooperative housing unit, the recordation tax rate is reduced from 2.2% to 1.825% for units under \$400,000, and from 2.9% to 2.175% for units \$400,000 or greater (there is no transfer tax). An application for the reduced rate must be made at the time the deed is offered for recordation. The reduced rate cannot be applied for after the deed is recorded.

Only one application form is required per deed. The applicant must use the version of this application form (Form ROD 11) available on the Recorder of Deeds website at the time the deed of title or economic interest transfer is submitted to the Recorder of Deeds. Prior versions of the form will not be accepted.

For information concerning eligibility, please refer to OTR Tax Notice 2017-4.

To claim the reduced recordation tax rate, applicants must: (1) complete the current version of the application form (Form ROD 11); and (2) submit documentary evidence.

(1) Form ROD 11- Reduced Recordation Tax Rate for First-Time District Homebuyers application form

Line-by-line Instructions

Part I - Property information

Provide the square, suffix, and lot (SSL) as well as the address of the real property or cooperative unit for which tax reduction is being claimed. Only one lot can be listed. This property is referred to as the “eligible property” throughout the application form.

Part II - Eligible property

Only “eligible property” qualifies for the reduced recordation tax rate.

Line 1 “Eligible property” must either be an improved residential property or an economic interest in a cooperative unit. Indicate whether the property for which tax reduction is being claimed meets this requirement.

Line 2 A Homestead Deduction Application (Form FP-100 in case of an improved residential property or Form FP-100C in case of an economic interest in a cooperative unit) must be filed concurrently for the real property identified in Part I because “eligible property” must qualify for a homestead deduction. If a property fails to qualify for the homestead deduction, the reduced rate will not be available and any additional tax due under the generally applicable rules will be imposed. Two copies of the Homestead Deduction Application must be attached to the application.

Line 3 Applicants are eligible for the reduced rate of tax only if the entire benefit of the tax reduction is allocated to the grantees. The benefit of the reduced tax rate cannot be shared with the transferor of the real property, and the full amount of the transfer tax due on the sale of the property should be allocated to the transferor. These allocations must be shown on the settlement statement or closing disclosure form. Include a copy of the settlement statement or closing disclosure form with the completed application form.



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Line 4 The reduced rate of tax applies only to the purchase price of the “eligible property” identified in Part I. If the deed conveys only that lot, enter the purchase price of the lot on this line and go to Part III.

Line 5 If the deed conveys lots in addition to the “eligible property” listed in Part I, provide the square, suffix, and lot (SSL) of the other lots.

Line 5a Enter the total purchase price of all lots acquired, including the “eligible property.”

Line 5b Enter the amount of the purchase price allocated to the “eligible property.”

Line 5c Enter the amount of the purchase price allocated to the remaining lots.

Part III - First-time District Homebuyer

The applicant for the reduced rate of tax must be or intend to be a D.C. resident and a “first-time District homebuyer”.

Line 1 Provide the name, social security number, and age of all grantees named in the deed, whether or not the grantees reside in the “eligible property”.

Line 2 To be eligible for the reduced rate of tax, the applicant must be a D.C. resident at the time the deed is offered for recordation. If the applicant is not a D.C. resident when the deed is recorded, the applicant must indicate that the applicant intends to become a D.C. resident in the immediate future.

Line 3 To be eligible for the reduced rate of tax, the applicant must be a “first-time District homebuyer.” This means that the applicant has never owned “eligible property” in D.C. as the applicant’s principal place of residence. “Eligible property” is defined above in Part II. Nevertheless, an applicant can still qualify as a “first-time District Homebuyer” if the applicant’s only such prior residence was jointly owned with an ex-spouse from whom the applicant is divorced or separated and the applicant relinquished ownership under a court order or a separation agreement.

Part IV - Household income

Line 1 List all non-grantee individuals who reside or will reside in the eligible property.

Line 2 Complete Worksheet A to calculate the Total Household Income for (a) all grantees named in the deed listed in Part III, Line 1, and (b) all individuals listed in Part IV, Line 1.

Income figures in Worksheet A must be annualized in calculating the Total Household Income.

Do not make any deductions from income.

Do not include nonrecurring payments in Worksheet A.

Supporting documents must be submitted to verify the income figures. Please refer to the Documentary Evidence section below.



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(2) Documentary Evidence

In addition to the completed application form, applicants must submit documentary evidence to support the application.

1) Required documentary evidence includes:

- a. Copy of the Settlement Statement or Closing Disclosure form;
- b. Two copies of Form FP-100 or FP-100C, the Homestead Deduction application form;
- c. Proof of household income for all grantees whether or not the grantees reside in the property, and all other non-grantee individuals residing in the property. For proof of income submit:
 - i. If employed, the most recent U.S. Individual Income Tax Return (Form 1040) (without Schedules) for each grantee and other adult residents, and the most current two pay stubs;
 - ii. If self-employed, notarized current Profit and Loss Statement, made under penalty of perjury;
 - iii. Proof of other sources of income, including Social Security statements, public assistance statements, retirement allotment, and unemployment compensation statements.

2) Other documentary evidence may be required:

- a. If any household member, including any grantee, is unemployed, provide a notarized affidavit that states the household member is currently unemployed;
- b. If the applicant previously owned eligible property as the principal place of residence in D.C., provide a copy of a written settlement agreement or court order showing that the applicant did not obtain an ownership interest in that real property;
- c. Other documents that the Recorder of Deeds deems necessary.



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FIRST-TIME HOMEBUYER HOUSEHOLD INCOME TABLE

QUALIFYING INCOME TABLE:

PERSONS IN HOUSEHOLD	HOUSEHOLD INCOME LIMITS
1.	\$139,140
2.	\$158,940
3.	\$178,740
4.	\$198,540
5.	\$214,560
6.	\$230,400
7.	\$246,240
8.	\$262,080



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APPLICATION

Reduced Recordation Tax Rate for First-Time District Homebuyers

PART I - Property Information

Provide the following information below for property for which reduction is being claimed ("the eligible property"). Only one lot can be listed.

Square	Suffix	Lot
Street Address		Unit #

PART II - Eligible Property

1. Is the eligible property listed in Part I an improved residential real property or an ownership interest in a cooperative unit? YES NO

2. Is a Homestead Deduction Application (Form FP-100 or Form FP-100C) being filed for the property?
(must attach two copies of the Homestead Deduction Application) YES NO

3. Is the entire benefit of the tax reduction allocated to the grantee(s)?
(include a copy of the settlement statement or closing disclosure form) YES NO

4. If the deed conveys only the eligible property, enter the purchase price and go to Part III: \$

5. If the deed conveys lots in addition to the eligible property, list these lots below:

Square	Suffix	Lot	Square	Suffix	Lot

(List additional lots on a separate sheet)

- 5a. Enter the total purchase price of all lots, including the eligible property: \$
- 5b. Enter the amount of purchase price allocated to the eligible property: \$
- 5c. Enter the amount of purchase price allocated to all other lots: \$

PART III - First-time District Homebuyer

1. Provide the following information for all grantees, whether they reside in the property or not:

	Name	Social Security Number	Date of Birth
Grantee 1			
Grantee 2			
Grantee 3			
Grantee 4			

(List name, social security number, and age of additional grantees on a separate sheet)

2. Are you, the applicant, currently a D.C. resident? YES NO
If NO, do you intend to establish residency in D.C.? YES NO

3. Have you, the applicant, previously purchased property in D.C. that was your principal place of residence and that received the homestead deduction? YES NO
If YES, was the prior residence jointly owned with an ex-spouse from whom you are divorced or separated and did you relinquish ownership under a court order or a separation agreement?
(see instructions under Documentary Evidence) YES NO



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PART IV - Household Income

- 1. Provide the following information for all other non-grantee individuals who reside or will reside in the property after it is purchased.

	Name
Resident 1:	
Resident 2:	
Resident 3:	
Resident 4:	
Resident 5:	
Resident 6:	
Resident 7:	

(List name of additional non-grantee residents on a separate sheet)

- 2. Complete Worksheet A

➔ Total Household Income (from Worksheet A): \$

PART V - Notarization

I hereby swear or affirm under penalty of this law that this return, including any accompanying Schedules and Statements, has been examined by me/us and to the best of my/our information, knowledge and belief that statements and representations are correct and true. I/we hereby acknowledge that any false statement or misrepresentations I/we made on this return is punishable by criminal penalties under the laws of the District of Columbia.

Applicant's Signature

Date

Applicant's Telephone No. (Home)

Applicant's Telephone No. (Work)

Sworn and subscribed before me this _____ day of _____, 20____

(Notarial Seal)

Notary Public



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Worksheet A

1. In the table below, for every item, list the annualized amounts without any deductions for:
(a) every grantee of the property listed on Part III, Line 1, and
(b) all other individuals listed in Part IV, Line 1.
2. For each item, add amounts from (a) and (b) and record the sum in the Total column.
3. The Total Household Income is the sum of all amounts in the Total column.

	(a) All grantees	(b) All non-grantee individuals	(c) Total
a. Wages, salary, tips, bonus, commissions, fees.			
b. Self-employment income from own businesses, including proprietorships and partnerships.			
c. Interest, dividends, net rental income, royalty income, or income from estates and trusts.			
d. Social Security or Railroad Retirement.			
e. Supplemental Security Income (SSI).			
f. Any public assistance or welfare payments from the state or local welfare office.			
g. Retirement, survivor, or disability pensions.			
h. Any other sources of income received regularly such as Veterans' (VA) payments, unemployment compensation, child support or alimony.			

Total Household Income
(Enter this number on Part IV, Line 2 of the application form)

\$